

ATTACHMENT 5

Overall DBE Three-Year Goal Methodology

Name of Recipient: The Oregon Department of Aviation

Goal Period: FY-2024-2025-2026 – October 1, 2024 through September 30, 2026)

DOT-assisted contract amount:	FY-2024	\$ 89,000
	FY-2025	\$ 86,000
	FY-2026	<u>\$ 115,000</u>
	Total	\$ 290,000

Overall Three-Year Goal: 7.0%, to be accomplished through 100% RC and 0% RN

Total dollar amount to be expended on DBEs: 7.0% X \$290,000 = \$20,300

Describe the Number and Type of Contracts that the airport anticipates awarding:

Contracts Fiscal Year 2024

1. Pavement Evaluation Program (Region 2)

Contracts Fiscal Year 2025

1. Pavement Evaluation Program (Region 3)

Contracts Fiscal Year

1. Pavement Evaluation Program (Region 4)

Market Area: The market areas for the Oregon Department of Aviation's fiscal year projects noted above are defined by the Oregon Statewide DBE Disparity Study, and depicted as Study Regions 2, 3, and 4 in the map below¹.

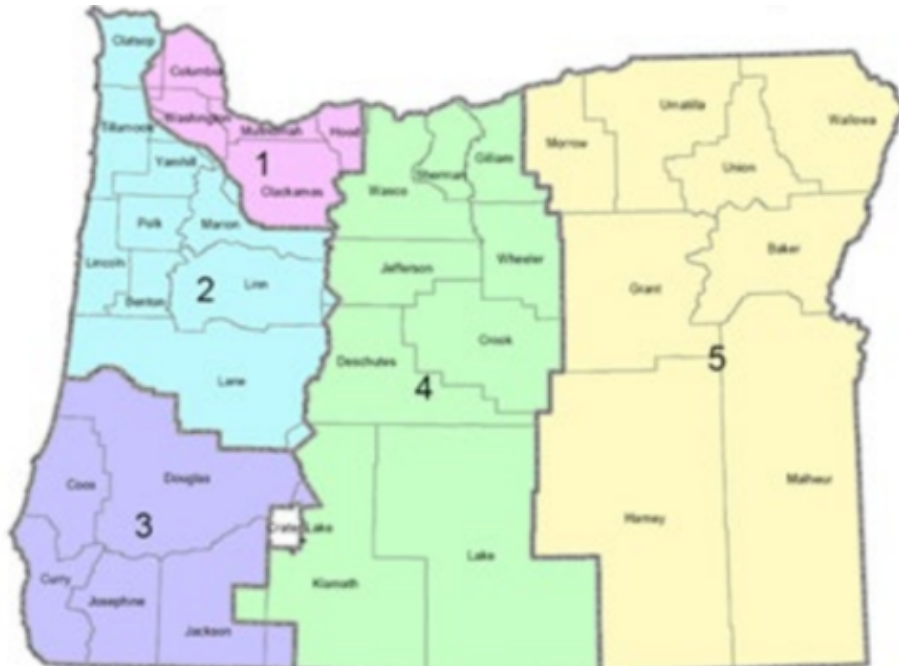


Figure 1 - Study Regions¹

¹ - Oregon Statewide DBE Disparity Study developed by Keen Independent Research for Oregon Department of Aviation, Dated March 2, 2021

Step 1. Actual relative availability of DBEs (base figure calculation)

In compliance with the 5 methods spelled out in Part 26.45, the base figure for the relative availability was calculated as follows:

- A. Identification of types of work and dollars spent on FAA-funded projects.
- B. Calculating the base figure based on expected mix of contracts; and
- C. Consideration of a step 2 adjustment.

A. Identification of Types of Work and Dollars Spent

Oregon Department of Aviation’s Prime Contracts.

Figure 2 – FY24-FY26 Anticipated Prime Contracts provides the types of prime contracts expected to be developed with Oregon Department of Aviation’s FAA-funded projects for FY24 through FY26.

Project Description	Type of Work	Dollars
FY 24 – Region 2 Pavement Evaluation Program	-Design Engineering	\$ 84,000
	-Other Professional Services	<u>\$ 5,000</u>
	Total Dollars Subject to DBE Goals	\$ 89,000
	FY24 Total	\$ 89,000
FY 25 – Region 3 Pavement Evaluation Program	-Design Engineering	\$ 81,000
	-Other Professional Services	<u>\$ 5,000</u>
	Total Dollars Subject to DBE Goals	\$ 86,000
	FY25 Total	\$ 86,000
FY 26 – Region 4 Pavement Evaluation Program	-Design Engineering	\$ 110,000
	-Other Professional Services	<u>\$ 5,000</u>
	Total Dollars Subject to DBE Goals	\$ 110,000
	FY26 Total	\$ 115,000

Figure 2 - Projected Types of Work for FY24 - FY26

From this table a second table was produced that provides sums of dollars per type of work, and a percentage per total dollars as seen in Figure 3.

Type of Work	Dollars	Percent of Total Dollars
-Design Engineering	\$ 275,000	95%
-Other Professional Services	\$ 15,000	5%
Total Dollars Subject to DBE Goals in 3 Years	\$ 290,000	100%

Figure 3 - Project Dollars per Work Type

B. Calculating the Base Figure

Weighted Availability by Region and Type of Work.

The Oregon Statewide DBE Disparity Study¹ provides a table of weighted availability benchmarks by region and type of prime contract. Appendix D of the study provides detailed methodology and results measuring the relative availability of different firms to perform work for airports for 5 defined regions. The Northwest, Southwest and Central Regions are planned for projects within the next three fiscal years falls. The table, and benchmark results for all regions is shown in Figure 4.

Type of prime contract	Portland/Hood River region	Northwest Oregon	Southwest Oregon	Central Oregon	Eastern Oregon
Construction					
Airport runway, taxiway or apron paving	9.1 %	8.6 %	4.7 %	4.9 %	5.2 %
Concrete work	5.6	5.1	6.1	5.9	6.5
Electrical work	4.2	4.1	4.8	4.3	4.8
Excavation, site prep, grading and drainage	6.8	6.1	5.0	4.6	5.3
Installation of guardrails and fencing	3.6	3.2	3.8	3.7	4.3
Office and public building construction	6.0	5.6	4.8	4.5	4.5
Pavement surface treatment (such as sealing)	1.1	1.1	1.4	1.3	1.3
Wrecking and demolition	9.7	9.0	5.1	5.0	5.4
Other construction work	0.0	0.0	0.0	0.0	0.0
Professional services					
Construction management	8.2 %	9.0 %	8.2 %	8.9 %	9.8 %
Design engineering	8.8	10.3	7.9	10.0	8.6
Environmental consulting	13.2	14.5	10.5	14.5	11.8
Geotechnical including soils & materials testing and inspection	0.6	0.6	0.5	0.6	0.6
Surveying and mapping	6.9	6.9	6.9	6.4	7.4
Other professional services	10.0	10.0	10.0	10.4	10.5
Other goods and services					
Other services	3.2 %	2.9 %	3.4 %	3.3 %	0.0 %

Note: Results incorporate DBE availability for anticipated subcontracts for a given type of prime contract.

Source: Keen Independent Research.

Figure 4 - Regional Firms Available per Work Type¹

Calculation of the Base Figure.

Using the benchmark numbers provided in the Disparity Study¹, the anticipated work types, and the total dollars for each, a base figure can then be calculated as seen below.

1 - Oregon Statewide DBE Disparity Study developed by Keen Independent Research for Oregon Department of Aviation, Dated March 2, 2021

Type of Work	Benchmark Availability (a)	Dollars of FAA-funded Contracts for 3 years	Percent of Total Contract Dollars (b)	Weighted Average Availability (a*b)
Design Engineering – NW Region 2	95%	\$ 84,000	10.3%	9.8%
Other Professional Services – NW Region 2	5%	\$ 5,000	10.0%	0.5%
Design Engineering – SW Region 3	95%	\$ 81,000	7.9%	7.5%
Other Professional Services - SW Region 3	5%	\$ 5,000	10.0%	0.5%
Design Engineering – Central Region 4	95%	\$ 110,000	10.0%	9.5%
Other Professional Services – Central Region 4	5%	\$ 5,000	10.4%	0.5%
Total		\$ 290,000	100%	<u>8.9%+0.5%</u> 9.0%

$$\text{Base Figure} = [(9.8\%+7.5\%+9.5\%)/3] + [(0.5\%+0.5\%+0.5\%)/3] = 9.0\%$$

Step 2: Adjustments to Step 1 base figure

After calculating a base figure of the relative availability of DBEs, the following steps were performed to determine what, if any, adjustment to the base figure was needed to arrive at the overall goal.

1: Past History Participation

To determine the adjustment to the base figure, historical DBE accomplishments for FY17 through FY 20 were used for study data.

FY	Total Grant \$ Amount	DBE Goals			Accomplishments		
		RC	RN	Total	RC	RN	Total
FY 17	\$ 2,215,262	0.0%	4.4%	4.4%	0.0%	0.1%	0.1%
FY 18	\$ 288,551	0.0%	5.6%	5.6%	0.0%	1.3%	1.3%
FY 19	\$ 251,364	0.0%	5.6%	5.6%	0.0%	9.5%	9.5%
FY 20	\$ 250,000	0.0%	5.6%	5.6%	0.0%	0.0%	0.1%
Average							5.1%

The median DBE participation on FAA-funded contracts for these fiscal years is 5.1%.

The low evidence of accomplishments with previous goals suggests a downward adjustment to the Base Figure.

USDOT “Tips for Goal-Setting” suggests taking ½ of the difference between the base figure and evidence of current capacity as an approach to calculate the Step 2 adjustment number.

Step 2 Adjustment Calculations as suggested by USDOT “Tips for Goal-Setting”

Base Figure (a)	Historical DBE Participation (b)	Difference (a-b)=c	½ of Difference (0.5*c)=d
9.0%	5.1%	9.0%-5.1%=3.9%	0.5*3.9%=2.0%

Final Downward Adjusted Goal Calculation

Base Figure (a)	Calculated Adjustment (b)	Downward Adjustment (a-b)=c
9.0%	2.0%	9.0%-2.0%= 7.0%

Final DBE Goal for FY24-FY26 = 7.0%

Breakout of Estimated “Race and Gender Neutral” (RN) and “Race and Gender Conscious” (RC) Participation.

Oregon Department of Aviation will meet the maximum feasible portion of the overall goal by using RN means of facilitating DBE participation.

1. Arranging solicitations, times for the presentation of bids, quantities, specifications, and delivery schedules in ways that facilitates DBE, and other small businesses, participation;
2. Providing assistance in overcoming limitations such as inability to obtain bonding or financing;
3. Providing technical assistance and other services;
4. Carrying out information and communications programs on contracting procedures and specific contract opportunities;
5. Implementing a supportive services program to develop and improve immediate and long-term business management, record keeping, and financial and accounting capability for DBEs and other small businesses;
6. Providing services to help DBEs and other small businesses improve long-term development, increase opportunities to participate in a variety of kinds of work, handle increasingly significant projects, and achieve eventual self-sufficiency;
7. Establishing a program to assist new, start-up firms, particularly in fields in which DBE participation has historically been low;
8. Ensuring distribution of DBE directory, through print and electronic means, to the widest feasible universe of potential prime contractors;
9. Assist DBEs and other small businesses, to develop their capability to utilize emerging technology and conduct business through electronic media; and

Oregon Department of Aviation estimates that in meeting the established overall goal of 7.0%, it will obtain 0.0% from RN participation and 7.0% through RC measures. This breakout is based on past participation and recommendations within the Oregon Disparity Study¹.

Oregon Department of Aviation does not have a history of DBE participation or over-achievement of goals to reference and expects to obtain its DBE participation through the use of DBE contract goals or a conscious effort to obtain DBE participation. Therefore, the entire goal of 7.0% is to be obtained through race-conscious participation.

Oregon Department of Aviation will adjust the estimated breakout of RN and RC DBE participation as needed to reflect actual DBE participation, and track and report RN and RC participation separately. For reporting purposes, RN DBE participation includes, but is not necessarily limited to the following: DBE participation through a prime contract obtained through customary competitive procurement procedures; DBE participation through a subcontract on a prime contract that does not carry a DBE goal, DBE participation on a prime contract exceeding a contract goal, and DBE participation through a subcontract from a prime contractor that did not consider a firm’s DBE status in making the award.

¹ - Oregon Statewide DBE Disparity Study developed by Keen Independent Research for Oregon Department of Aviation, Dated March 2, 2021